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KKR Closes the Acquisition of United Group

KKR's first direct investment in Central and Eastern Europe

BELGRADE, Serbia & LONDON--(BUSINESS WIRE)-- KKR, a leading global investment firm, today announces that it has completed the acquisition of United Group (SBB/Telemach), the leading cable and pay TV operator in South Eastern Europe.

KKR signed a definitive agreement to acquire United Group from Mid Europa Partners on 15 October 2013. This transaction was subject to customary regulatory approvals, all of which have now been granted.

The closing of the transaction by which the European Bank for Reconstruction and Development ("EBRD") invests €50 million alongside funds affiliated with KKR also takes place today.

Operating under the SBB and Telemach brands, United Group serves 1.89 million customers across the six markets of former Yugoslavia with a combined population of over 20 million.

"Following the closing of the transaction, we are now ready to accelerate our plans for the region, providing a wide range of high quality services at affordable prices to the citizens. With the support of such international investors as KKR and EBRD, we will continue to operate according to strict European standards and regulations," said Dragan Šolak, Founder and Executive Chairman of the United Group.

Henrik Kraft, Member of KKR and head of KKR's telecoms and technology team in Europe, said: "This is KKR's first direct investment in Central and Eastern Europe and is a clear sign of our confidence in the prospects of the United Group, led by Dragan and his talented team, and the region."

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About KKR

Founded in 1976 and led by Henry Kravis and George Roberts, KKR is a leading global investment firm with \$94.3 billion in assets under management as of December 31, 2013. With offices around the world, KKR manages assets through a variety of investment funds and accounts covering multiple asset classes. KKR seeks to create value by bringing operational expertise to its portfolio companies and through active oversight and monitoring of its investments. KKR & Co. L.P. is publicly traded on the New York Stock Exchange (NYSE: KKR) and "KKR", as used in this release, includes its subsidiaries, their managed investment funds and accounts, and/or their affiliated investment vehicles, as appropriate.

The EBRD, owned by 64 countries and two intergovernmental institutions, supports the development of market economies and democracies in central Europe, central Asia and the southern and eastern Mediterranean. In Serbia alone, the EBRD has invested €3.5 billion in 175 projects to date. The Bank's investments cover industry, commerce, agribusiness, energy as well as the financial and infrastructure sectors.

About United Group

United Group (SBB/Telemach), through its member companies, operates across the six markets of former Yugoslavia - Serbia, Slovenia, Bosnia and Herzegovina, Montenegro, Croatia and Macedonia - where it has 1.89 million cable and satellite TV, broadband, fixed and mobile customers subscribers.

With a population of over 20 million, the former Yugoslav region represents the third largest Central Eastern European market and is characterized by rapidly growing pay-TV and broadband markets. United Group consists of SBB (the leading cable operator in Serbia), Telemach Slovenia (the leading cable operator in Slovenia), Telemach Bosnia and Herzegovina (the leading cable operator in Bosnia and Herzegovina), Total TV (the leading DTH platform in the region for satellite television), Total TV International (a Europe-wide DTH platform), and NetTV Plus (a leading provider of telecom services over the internet). The Group also provides services using a number of ancillary brands resulting from its growth across the region: Absolut OK, KDS NS, Jet TV, Beogrid, Telekom, VI-NET and ArtNet.

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